

[DISCUSSION DRAFT]

115TH CONGRESS
2D SESSION

H. R. _____

To establish a National Appraiser Licensing System and Registry for licensing and registration of real estate appraisers and appraisal management companies, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. STIVERS introduced the following bill; which was referred to the Committee on _____

A BILL

To establish a National Appraiser Licensing System and Registry for licensing and registration of real estate appraisers and appraisal management companies, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “_____ Act
5 of 2018”.

1 **SEC. 2. FUNCTIONS OF APPRAISAL SUBCOMMITTEE.**

2 Subsection (a) of section 1103 of the Financial Insti-
3 tutions Reform, Recovery, and Enforcement Act of 1989
4 (12 U.S.C. 3332(a)) is amended—

5 (1) by striking paragraphs (1), (2), and (4);

6 (2) in paragraph (3)—

7 (A) by inserting “, through the National
8 Appraiser Licensing System and Registry estab-
9 lished under section 1127,” after “maintain”;
10 and

11 (B) by striking “and” at the end;

12 (3) in paragraph (5), by striking “. The report”
13 and all that follows through “compliance” and in-
14 serting “; and”;

15 (4) in paragraph (6), by inserting “, through
16 the National Appraiser Licensing System and Reg-
17 istry established under section 1127,” after “main-
18 tain”;

19 (5) by redesignating paragraphs (3), (5), and
20 (6) as paragraphs (1), (3), and (4), respectively; and

21 (6) by inserting after paragraph (1), as so re-
22 designated by paragraph (5) of this section, the fol-
23 lowing new paragraph:

24 “(2) establish the National Appraiser Licensing
25 System and Registry under section 1127;”.

1 **SEC. 3. NATIONAL APPRAISER LICENSING SYSTEM AND**
2 **REGISTRY.**

3 Title XI of the Financial Institutions Reform, Recov-
4 ery, and Enforcement Act of 1989 (12 U.S.C. 3331 et
5 seq.) is amended by adding at the end the following new
6 sections:

7 **“SEC. 1127. ESTABLISHMENT OF NATIONAL APPRAISER LI-**
8 **CENSING SYSTEM AND REGISTRY.**

9 “(a) OBJECTIVES.—To increase uniformity, reduce
10 regulatory burden, enhance consumer protection, and re-
11 duce fraud, the Appraisal Subcommittee shall establish a
12 Nationwide Appraiser Licensing System and Registry for
13 the appraisal industry that accomplishes all of the fol-
14 lowing objectives:

15 “(1) Provides uniform license applications and
16 reporting requirements for State certified or licensed
17 appraisers.

18 “(2) Provides a comprehensive certification, li-
19 censing, and supervisory database.

20 “(3) Aggregates and improves the flow of infor-
21 mation to and between regulators.

22 “(4) Provides increased accountability and
23 tracking of appraisers and appraisal management
24 companies.

25 “(5) Streamlines the certification and licensing
26 processes and reduces the regulatory burden.

1 maintain a licensing and certification system to replace
2 the National Appraiser Licensing System and Registry.

3 “(b) AUDITS.—Not later than 2 years after the date
4 of enactment of this section, and every 2 years thereafter,
5 each State appraiser certifying and licensing agency shall
6 conduct an audit, by an independent auditor, and submit
7 a report to the Appraisal Subcommittee on the State’s
8 compliance with the requirements of subsection (d).

9 “(c) REPORTS.—Pursuant to each audit conducted
10 pursuant to subsection (b), the Appraisal Subcommittee
11 shall submit a report to the Director regarding the audit
12 results, and the Director shall use such reports in deter-
13 mining compliance with this section.

14 “(d) STATE CERTIFICATION OR LICENSING LAW RE-
15 QUIREMENTS.—For purposes of this section, the law in
16 effect in a State meets the requirements of this subsection
17 if the Director determines the law satisfies the following
18 minimum requirements:

19 “(1) A State appraiser certifying and licensing
20 agency is maintained to provide effective supervision
21 and enforcement of such law, including the suspen-
22 sion, termination, or nonrenewal of a certification or
23 license for a violation of State or Federal law.

24 “(2) The State appraiser certifying and licens-
25 ing agency ensures that all State certified or licensed

1 appraisers and appraisal management companies op-
2 erating in the State are registered with Nationwide
3 Appraiser Licensing System and Registry.

4 “(3) The State appraiser certifying and licens-
5 ing agency is required to regularly report violations
6 of such law, as well as enforcement actions and
7 other relevant information, to the Nationwide Ap-
8 praiser Licensing System and Registry.

9 “(4) The State appraiser certifying and licens-
10 ing agency has a process in place for challenging in-
11 formation contained in the Nationwide Appraisal Li-
12 censing System and Registry.

13 “(5) The State appraiser certifying and licens-
14 ing agency has established a mechanism to assess
15 civil money penalties for individuals acting as ap-
16 praisers in their State without a valid certification,
17 license, or registration.

18 **[(e) TEMPORARY EXTENSION OF PERIOD.—**The
19 Appraisal Subcommittee may extend, by not more than
20 24 months, **[the 1-year or 2-year period, as the case may**
21 **be, referred to in subsection (a)]** for the certifying or li-
22 censing of appraisers in any State under a State certifying
23 and licensing law that meets the requirements of sections
24 1128 and 1129 and subsection (d) if the Subcommittee
25 determines that such State is making a good faith effort

1 to establish a State certifying and licensing law that meets
2 such requirements, certify and license appraisers under
3 such law, and register such appraisers with the Nation-
4 wide Appraiser Licensing System and Registry. [NOTE:
5 The provision in the original draft creating the 1- and 2-
6 year periods has been struck from this draft, so this provi-
7 sion probably does not have any effect.]”.]

8 **SEC. 4. DEFINITIONS.**

9 Section 1503 of the Financial Institutions Reform,
10 Recovery, and Enforcement Act of 1989 (12 U.S.C. 5102)
11 is amended by adding at the end the following new para-
12 graphs:

13 “(14) NATIONWIDE APPRAISER LICENSING SYS-
14 TEM AND REGISTRY.—The term ‘Nationwide Ap-
15 praiser Licensing System and Registry’ means an
16 appraiser licensing system developed and maintained
17 by the Appraisal Subcommittee for the State certifi-
18 cation, licensing, and registration of State-certified
19 and licensed appraisers and the registration of reg-
20 istered appraisers or any system established by the
21 Appraisal Subcommittee under section 1130.

22 “(15) REGISTERED APPRAISER.—The term
23 ‘registered appraiser’ means any individual who is—

1 “(A) a State certified or licensed appraiser
2 who is eligible to perform appraisals in federally
3 related transactions; and

4 “(B) registered with, and maintains a
5 unique identifier through, the Nationwide Ap-
6 praiser Licensing System and Registry.

7 “(16) UNIQUE IDENTIFIER.—

8 “(A) IN GENERAL.—The term ‘unique
9 identifier’ means a number or other identifier
10 that—

11 “(i) permanently identifies an ap-
12 praiser;

13 “(ii) is assigned by protocols estab-
14 lished by the Nationwide Appraiser Licens-
15 ing System and Registry to facilitate elec-
16 tronic tracking of appraisers and uniform
17 identification of, and public access to, the
18 employment history of and the publicly ad-
19 judicated disciplinary and enforcement ac-
20 tions against appraisers; and

21 “(iii) shall not be used for purposes
22 other than those set forth under this title.

23 “(B) RESPONSIBILITY OF STATES.—To the
24 greatest extent possible and to accomplish the

1 purpose of this title, States shall use unique
2 identifiers in lieu of social security numbers”.